

**Opening Statement of
Rene Goux
Before the
Subcommittee on Oversight and Investigations of the
House Energy and Commerce Committee
January 26, 2006**

Chairman Whitfield, Congressman Stupak, Subcommittee members:

I thank you for inviting me to appear today before the Subcommittee.

I am the CEO of Memorial Medical Center in New Orleans, Louisiana. Memorial is a 347 bed tertiary care hospital located on Napoleon Avenue in the Freret neighborhood of downtown New Orleans. The hospital was opened in 1926 and is still known to many of the city's inhabitants by its original name – Southern Baptist Hospital. The hospital grounds consist of eight buildings, covering three blocks, and include the general hospital, the New Orleans Cancer Institute, the New Orleans Surgery and Heart Institute, a Diabetes Management Center and Sleep Disorders Center, and a medical office building for more than 100 physicians. In addition, Memorial provides residency training for physicians in conjunction with the Louisiana State University Health Sciences Center.

I was at Memorial before, during, and after Hurricane Katrina ripped through the city. As the person who was commanding Memorial's operations during this tragedy, I would like to speak about Memorial's preparedness and response efforts.

I am joined today by Bob Smith, the Senior Vice President of Operations for the Texas/Gulf Coast Region of Tenet Healthcare, who will speak about the impact of Katrina throughout the six Tenet hospitals located in New Orleans and Mississippi – including Lindy Boggs Medical Center in Orleans Parish; Kenner Regional Medical Center and Meadowcrest

Hospital in Jefferson Parish; NorthShore Regional Medical Center in Slidell, Louisiana; and Gulf Coast Medical Center in Biloxi, Mississippi.

I have been involved in hospital management in Louisiana for 27 years, including two years at Memorial Medical Center. As we all now know, the scope of Katrina's devastation is unprecedented on a broader scale, and the same is true of its impact on the health care infrastructure of New Orleans. Although we made it through the hurricane, the failure of the city's levees on a massive and unexpected scale overwhelmed emergency response systems at the local, state and – ultimately – federal levels. Surrounded by ten feet of polluted, oil slicked water, without power or reliable communications, the staff of Memorial worked for nearly five days to treat, feed and evacuate patients, families and local residents who sought shelter at the hospital. I will never forget the valiant efforts of those people and the hundreds of others involved in the rescue.

The weekend before Katrina reached land on Monday, August 29th, we implemented our standard hurricane preparedness procedures. These procedures are outlined in Memorial's Hurricane Preparedness Plan, a copy of which has been provided to the Subcommittee. The plan was developed in coordination with local and state emergency response officials, and was available for review by state and local emergency planning organizations, as required by Louisiana hospital licensing regulations.

These procedures included: (1) establishing an Incident Command Center, which we initially set up on Memorial's first floor administrative offices; (2) canceling elective procedures and releasing any ambulatory patients; and (3) stocking a four-day supply of food, fuel and other provisions. On Sunday, August 28th at 9:30 AM, Mayor Nagin issued a city-wide evacuation order, but that order did not call for the evacuation of hospitals and first-responders. This was

understandable, as many patients in acute care hospitals are too sick to move, especially on a long trip by ground or ambulance, to a facility far enough away as to be outside the broad and unpredictable path of a major storm such as Katrina. Moreover, hospitals are a critical part of the local emergency response system that is needed for post-storm rescue and recovery.

We had approximately 2,000 people at Memorial during Katrina -- 260 patients, 500 employees and hundreds of family members who had come to the hospital to ride out the storm. During the hurricane, we could feel the whole building shaking violently in the wind. Windows in the walkways that connect the medical office building to the hospital began breaking out as debris flew through city streets. It was quite an experience. When daylight came after the storm, we could see about a foot of water in the street and a lot of wind damage to the surrounding area, with many trees down. The power had gone out, but we were able to convert to our generators. We believed we had survived the hurricane and things would get back to normal fairly quickly. In fact, some people left the hospital to survey damage throughout the city and check their own homes.

Then, on Tuesday morning, the levees started breaking. Our hospital sits in the New Orleans "bowl." The water started rising rapidly, 10 or 12 feet, until our basement was completely flooded. It was terrifying to see it rise so quickly. We didn't know where it was going to stop. We were able to move patients, food and other supplies up to the higher floors. As the water continued to rise, we were completely cut off. I immediately moved the Incident Command Center to the third floor and worked with the hospital management leaders to reassess and respond to the evolving situation.

By Tuesday evening, we were able to evacuate 18 babies from our neonatal intensive-care unit aboard Coast Guard helicopters. Spirits were lifted, as we saw this as evidence that

rescue operations were underway. But throughout Tuesday night and into Wednesday, as we watched from windows and the roof, the focus shifted to the thousands of residents trapped in attics and on rooftops throughout the flood zone.

Conditions at the hospital deteriorated rapidly. The hospital's air-conditioning system broke down, causing temperatures to reach higher than 105 degrees. We started losing electrical systems on Tuesday, and we had no municipal electrical power for the last two days. There was no plumbing; the toilets were overflowing. The smell of sewage was nauseating and it was unbearably hot. We started breaking windows to give our patients some ventilation. Communications were unreliable, although we were able to maintain sporadic contact with Tenet headquarters by cell phone and a satellite phone delivered by helicopter. Communication with emergency officials was nearly nonexistent.

Personal safety became a huge issue as local residents swam into the parking garage seeking a dry area. At times, the sound of gunfire rang out through the streets. Looting broke out throughout the neighborhood. We locked-down the hospital to ensure that no outsiders could get inside and established a perimeter around the hospital. We also required that everyone legitimately within the hospital wear their identification wristbands.

On Wednesday morning, some guys -- volunteers from southern Louisiana -- showed up in airboats. There was no sign of any organized rescue effort, just these kind people who came from out of nowhere. We were able to get some non-critical patients and family members out with them -- although we later learned that many of these people were only taken as far as the Superdome or other dry land, joining the thousands of others trapped in the devastated city.

On Wednesday, officials at Tenet were informed by government officials that if they wanted their hospitals -- including Memorial -- evacuated, they would have to mount a private

rescue effort. Bob Smith will speak about that effort in more detail. At Memorial, we had a core group of nurses and about 40 physicians who were just incredible – working around the clock to treat patients and prepare them for evacuation. Many of their family members – including teenagers and young kids – stood for hour upon hour upon hour fanning our patients by hand and bathing them with bottled water to make them more comfortable.

None of the elevators were working, so we had to carry patients up stairwells to the helipad or down to the boats – some as many as eight flights. When our hand-held radios gave out, we stationed people on every floor and in the parking garage to transmit messages in furtherance of our internal evacuation efforts.

We completed our evacuation of patients and family members by Thursday evening. At the end, about 70 of us spent the night on the rooftop waiting for the helicopters to return in the morning. At some point, there was a huge explosion in the city. We could see looters in some of the buildings nearby, and continued to hear gunshots in other parts of the city.

Again, our mission is compassionate healthcare. Throughout this incredible ordeal, the staff at Memorial and our colleagues in Dallas never forgot this. Our well-trained professionals put the safety, comfort, and well-being of our patients first. I want to take this opportunity to recognize publicly their resilience, courage, and dedication, in the face of one of this nation's greatest national disasters. Their actions are even more heroic when you consider that many of these people lost their homes to Katrina and left the hospital only to themselves enter the stream of evacuees facing an uncertain future. I am pleased that Bob is here to talk to you about the extensive efforts Tenet has made to assist our displaced employees.

In the weeks and months after the hurricane, I have remained in New Orleans working with the management teams of Tenet's four other Louisiana hospitals and corporate management

on the recovery. During this time, it has become clear just how long and difficult the road back will be, especially for Orleans Parish. With the loss of six major downtown hospitals, the health care infrastructure of the parish was nearly destroyed. And as many have observed, we face a classic “chicken-and-egg” problem – hospitals and other healthcare facilities can’t survive without a population to support them, but people are hesitant to return to a city where health services are not readily available. I am pleased that in October, Tenet announced the company’s commitment to remain in New Orleans, joining our remaining hospitals into a locally managed network anchored by a downtown campus. In doing so, we will be working with government officials, private organizations, and community representatives to ensure that residents of New Orleans will have access to the highest quality care available.

Let me reiterate a couple of points that I’m sure this committee is most interested in. First, at Memorial we felt prepared for even a major hurricane like Katrina. We planned for it and trained for it, and the hospital and staff had been through numerous storms before. What we couldn’t be ready for was a flood coupled with the failure of the levees and municipal pumping system that closed all the other nearby hospitals and stranded all of us inside Memorial without municipal power, water and sanitation for four days. When that catastrophe happened, I’m proud to say that we could count on the heroism of our people to get us through.

Thank you again for the opportunity to address the Subcommittee today.